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July 14, 1980

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By STEVE ADLER

Mr. Ralph Kamon
Paramount Pictures Corporation
5451 Marathon Street
Hollywood, California 90038

RE: "KING KONG"

Dear Ralph:

This refers to the Agreement of April 14, 1976 between Dino De Laurentiis Corporation, Paramount Pictures Corporation and RKO General, Inc. covering the grant to Paramount of merchandising rights in the name and character "KING KONG" in the United States and Canada.

It is our understanding that the aforementioned "KING KONG" merchandising rights granted to Paramount expired in December 1979 and that all "KING KONG" merchandising licenses granted by Paramount to third parties have likewise expired.

Under a final judgment entered by U.S. District Judge Real on March 21, 1979 on Richard Cooper's cross-complaint against RKO (in the declaratory relief action filed by Universal against RKO and others) Cooper was declared to be the sole and exclusive owner, among other things, of all merchandising rights "in and to the use of the name, character and story "KING KONG". Cooper in turn granted certain "KING KONG" rights to Universal, including motion picture rights and all of Cooper's rights to grant merchandising licenses relating to the name, character and story "KING KONG".

Universal intends to begin the exploitation of its "KING KONG" merchandising rights shortly and this letter is intended to inform Paramount of Universal's rights. Therefore, please be governed accordingly.

Very truly yours,

Joseph V. Di Muro
Law Department
JVD:ab

cc: Steve Adler
Walter Josiah
Steve Kroft
Lou Petrich

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